United Nations A/C.5/59/SR.12

General Assembly
Fifty-ninth session

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Fifth Committee

Summary record of the 12th meeting
Held at Headquarters, New York, on Thursday, 21 October 2004, at 10 a.m.

Chairman: Mr. MacKay ..... (New Zealand)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kuznetsov

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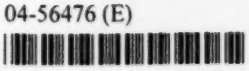
Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

04-56476 (E)



The meeting was called to order at 10.15 a.m.

Agenda item 110: Improving the financial situation of the United Nations

Statement by the Under-Secretary-General for Management

1. **Ms. Bertini** (Under-Secretary-General for Management) said that the United Nations must have a strong and dependable financial base in order to carry out the many important tasks entrusted to it by Member States. While there had been progress in that direction, some serious problems remained. She would focus in her presentation on three main indicators: assessments and amounts paid; cash on hand; and debt owed to Member States. She would provide information on the status of those indicators as at 15 October 2004 and forecasts of the situation at year-end.

2. The increase in the level of United Nations activities in 2004 had led to a commensurate rise in the level of assessments approved by the General Assembly. With regard to the two International Criminal Tribunals, the number of Member States that had paid their assessed contributions in full was up but remained disturbingly low. Overall, the financial situation of the two Tribunals was critical: between 2002 and 2003, unpaid assessments had doubled to almost $88 million. As at 15 October 2004, that amount had fallen slightly to $80 million, and significant payments were expected by 31 December 2004. However, the shortfall would still be unacceptably high. Of the $80 million outstanding, the United States of America accounted for $31 million, Japan $19 million, Brazil $10 million, Argentina $5 million and Mexico $3 million. The balance of $12 million was owed by 108 other Member States. Thirteen Member States had paid no assessed contributions to the two Tribunals since their establishment. She wished to thank the 78 Member States that were fully paid up for the two Tribunals and to urge other Member States to follow their example.

3. Concerning the regular budget, unpaid assessments had totalled over $725 million as at 15 October 2004, exceeding the amount outstanding at the same time in 2003 by more than $35 million. She understood, however, that the major contributor would shortly make a payment of approximately $300 million. The continuing high level of unpaid regular budget assessments had negative implications for the core activities of the United Nations. Of the $725 million outstanding, the United States owed $530 million, Brazil $75 million and Argentina $29 million. By mid-October, 111 Member States had paid their regular budget assessments in full, compared with 118 in 2003, while 52 had made some payments and 28 had made no payments at all. After declining in 2001 and 2002, the number of Member States fully paid up for the regular budget at year-end had increased in 2003, and she trusted that that trend would continue. She expressed appreciation to the 111 Member States that had fulfilled their obligations in respect of the regular budget and appealed to the remaining 80 Member States to make every effort to pay their regular budget assessments as soon as possible.

4. As to peacekeeping operations, aggregate assessments had increased to over $4 billion by 15 October 2004, owing to new missions in Burundi, Côte d'Ivoire and Haiti. Depending on action to be taken by the General Assembly and the Security Council, that figure might rise still further. Unpaid assessments had totalled $2.5 billion, compared with $1.5 billion at the same time in 2003. While the size of the outstanding amount was a cause for concern, it should be seen in the light of the level of the assessments issued in 2004 and the fact that significant sums had been assessed in July, August and September. Indeed, assessments of over $800 million issued on 30 September 2004 were still within the 30-day due period. Of the $2.5 billion outstanding on 15 October 2004, $881 million had been due from the United States, $567 million from Japan, $153 million from Ukraine and $107 million from Italy. She was pleased to announce that, subsequently, an additional $357 million had been received for peacekeeping operations, including $328 million from the United States. Eighteen Member States had paid all peacekeeping assessments due and payable as at 15 October 2004. In addition, Azerbaijan, Canada, New Zealand and Singapore had paid in full the assessments issued on 30 September 2004.

5. With regard to the second indicator, cash on hand, the Organization had begun the year with $23 million of cash available for the regular budget and in related reserve accounts. Cross-borrowing to support regular budget activities had been necessary only once, for two weeks in September. Based on information provided by the major contributor, the regular budget and related

reserve accounts were expected to end the year with a positive cash balance of $96 million.

6. According to current projections, cash available in peacekeeping accounts would total $1.4 billion at year-end. Of that amount, just over $1 billion would be in the accounts of active missions, $152 million in the Peacekeeping Reserve Fund and $265 million in the accounts of closed peacekeeping operations. The relatively large amount of cash forecast for the accounts of active missions reflected some slowness in the reimbursement of amounts owed to Member States because of delays in deployment and in the signing of memorandums of understanding for new peacekeeping operations. Of the $265 million in closed peacekeeping accounts, $144 million would be payable to Member States and others or was held in accounts with negative net cash balances. As to the remaining $121 million, a decision was pending on the return of $94 million to Member States. Accordingly, as little as $27 million could be available for cross-borrowing. To put that amount in perspective, she noted that the two Tribunals had begun the year owing the closed peacekeeping accounts $73 million, a sum that had been repaid gradually in the course of the first quarter. In addition, active missions had borrowed from the closed peacekeeping accounts eight times in 2004 and, as she had previously stated, the Administration had resorted to cross-borrowing to support regular budget activities. Borrowing from the accounts of closed peacekeeping operations had regularly exceeded the $27 million level in 2004. If cash available in those accounts remained low and regular budget and Tribunal assessments were not paid, the Administration would have no option but to curtail certain activities.

7. Concerning the third indicator, the Administration had forecast in May that debt owed to Member States for troop and equipment costs would total $574 million as at 31 December 2004. Subsequently, that forecast had been revised upwards, to $605 million. That increase was primarily due to the deployment of troops and contingent-owned equipment in new missions in Burundi, Côte d'Ivoire and Haiti. Other factors included faster than expected troop deployment in the United Nations Mission in Liberia (UNMIL). Also, the number of memorandums of understanding signed for contingent-owned equipment in all recent missions had been higher than anticipated. She was pleased to note that reimbursements for troop costs had exceeded projections, since contributions for active missions had been received more promptly than in recent years. The Administration expected to be able to pay for troop costs in most missions up to the end of October 2004, rather than September as had been projected. Payments for equipment costs were projected to be between three and six months in arrears by year-end, compared with nine months as at 31 December 2003. An exception was the United Nations Interim Administration Mission in Kosovo (UNMIK), where personnel liabilities had been paid up to the end of December 2003, as well as a portion of the amount owed for contingent-owned equipment. The Secretary-General remained committed to reducing as far as possible the amount of debt owed to Member States, taking into account the operational requirements of each mission. However, his ability to do so would depend on the extent to which Member States met their financial obligations to the United Nations.

8. She paid tribute to the 18 Member States — Azerbaijan, Canada, Croatia, the Czech Republic, Denmark, Estonia, Finland, Hungary, Ireland, New Zealand, Norway, the Russian Federation, Sierra Leone, Singapore, South Africa, Switzerland, the United Kingdom and Zimbabwe — that had paid all assessments due and payable as at 15 October 2004 and to the 2 Member States — the Netherlands and Sweden — that had paid their assessments in full since that date. While the financial situation of the United Nations had improved in many respects, some areas of concern remained because too few Member States paid their assessed contributions in full and on time. Member States should review their budget processes with a view to facilitating full and timely payment and placing the Organization on a more stable financial footing.

Organization of work

9. **The Chairman** noted with concern that, according to the data on utilization of conference resources, the Committee had lost time because of the late start of meetings. He urged delegates to arrive promptly so that meetings could begin at the scheduled time.

The meeting rose at 10.50 a.m.

United Nations A/C.5/59/SR.13

General Assembly
Fifty-ninth session
Official Records

Distr.: General
29 November 2004
English
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Fifth Committee

Summary record of the 13th meeting
Held at Headquarters, New York, on Tuesday, 26 October 2004, at 10 a.m.

Chairman: Mr. MacKay ..... (New Zealand)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kuznetsov

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Agenda item 136: Financing of the United Nations Mission in Sierra Leone (*continued*)

Agenda item 153: Financing of the United Nations Operation in Burundi (*continued*)

Agenda item 154: Financing of the United Nations Operation in Côte d'Ivoire (*continued*)

Agenda item 155: Financing of the United Nations Stabilization Mission in Haiti (*continued*)

Agenda item 129: Financing of the United Nations Mission of Support in East Timor (*continued*)

Agenda item 123: Administrative and budgetary aspects of the financing of the United 'ations peacekeeping operations (*continued*)

Organization of work

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04-57179 (E)

The meeting was called to order at 10.10 a.m.

Agenda item 136: Financing of the United Nations Mission in Sierra Leone (*continued*) (A/C.5/59/L.4)

Draft resolution A/C.5/59/L.4

1. *Draft resolution A/C.5/59/L.4 was adopted without a vote.*

2. **Mr. Jonah** (Sierra Leone) said that the Sierra Leonean people were very grateful for the efforts made both by the United Nations Mission in Sierra Leone in general, and by the various contingents. There were many reconstruction projects to which the contingents were making a considerable contribution, thereby helping to project a very positive image of the United Nations. The phased reduction in the staff of the Mission would enable the Sierra Leonean Government progressively to take over responsibility for peacekeeping and security. In conclusion, he thanked the African Group for its support.

3. **The Chairman** said that the Committee had concluded the present stage of its consideration of agenda item 136.

Agenda item 153: Financing of the United Nations Operation in Burundi (*continued*) (A/C.5/59/L.6)

4. *Draft resolution A/C.5/59/L.6 was adopted without a vote.*

5. **The Chairman** said that the Committee had concluded the present stage of its consideration of agenda item 153.

Agenda item 154: Financing of the United Nations Operation in Côte d'Ivoire (*continued*) (A/C.5/59/L.7)

Draft resolution A/C.5/59/L.7

6. *Draft resolution A/C.5/59/L.7 was adopted without a vote.*

7. **The Chairman** said that the Committee had concluded the present stage of its consideration of agenda item 154.

Agenda item 155: Financing of the United Nations Stabilization Mission in Haiti (*continued*) (A/C.5/59/L.5)

Draft resolution A/C.5/59/L.5

8. **Mr. Halbwachs** (Controller), with reference to paragraphs 13 and 14 of the draft resolution, said that, in the budget performance report of the Mission for the period 1 July 2004 to 30 June 2005, which would be submitted to the General Assembly at its resumed sixtieth session, the wording of expected accomplishment 2.3 given in document A/59/288 would be replaced by the words "carrying out free and fair elections".

9. **Ms. Goicochea** (Cuba) said that her delegation had decided to approve draft resolution A/C.5/59/L.5 and to join the consensus on the understanding that expected accomplishment 2.3 would be rephrased as indicated by the Controller. However, she emphasized the exceptional nature of her delegation's agreement and recalled that it was for the Fifth Committee to approve the expected accomplishments and the indicators of achievement. She therefore attached particular importance to the last preambular paragraph of the draft resolution which stressed the role of the Committee in the consideration and approval of budgetary proposals.

10. *Draft resolution A/C.5/59/L.5 was adopted without a vote.*

11. **Mr. Mérorès** (Haiti) thanked the African Group for its support. He welcomed the adoption of draft resolution A/C.5/59/L.5 at a time when the situation of the country required the deployment of the Mission's full resources. The resolution in question should enable Haiti to regain peace and the rule of law and promote its socio-economic development. It should also enable the Mission fully to carry out its mandate bearing in mind, in particular, the budgetary funds of some $379 million which were to be allocated for the period 1 July 2004 to 30 June 2005.

12. **Mr. Alarcón** (Costa Rica), endorsing in general the recommendations made by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) in its reports on budget proposals for peacekeeping operations, said that the justifications provided for the creation of certain posts were often inadequate and asked the Secretariat to justify the posts again when preparing forthcoming budget proposals.

He also drew attention to the need to improve job descriptions by taking into account the characteristics of each mission in order to enhance transparency and a sense of responsibility.

13. **Mr. Sun** Yudong (China), referring to paragraph 11 of the ACABQ report (A/59/390), noted that a saving of $2,270,000 could be achieved by reducing expenditures on rations. He asked for the inclusion in the performance report of the necessary details to enable the Member States to satisfy themselves that the anticipated saving had actually been made. His delegation also emphasized that the sum of $9 million allocated to the Mission to offset the impact of Hurricane Jeanne must be used only for the stated purpose.

14. **The Chairman** said that the Committee had concluded the present stage of its consideration of agenda item 155.

Agenda item 129: Financing of the United Nations Mission of Support in East Timor (*continued*)

Draft resolution A/C.5/59/L.8

15. **Mr. Halbwachs** (Controller), referring to paragraph 12 of draft resolution A/C.5/59/L.8, said that in the performance report for the period from July 2004 to June 2005, which would be submitted to the General Assembly at its resumed sixtieth session, indicator of achievement 1.3.3 given in document A/59/290 would be reworded by the Secretariat to read: "Timorese courts will by May 2005 decide on all arrest warrants that have been filed".

16. **Ms. Wahab** (Indonesia) said that since the adoption of resolution 1410 (2002) by which the Security Council established the United Nations Mission of Support in East Timor, Indonesia had always supported the Mission, in particular by approving resolution 1543 (2004) by which the Council extended its mandate for a period of six months, with a view to subsequently extending the mandate for a further and final period of six months until 20 May 2005. However, in view of the progress achieved, she considered that it was important that the Mission should complete its mandate on the scheduled date.

17. Indonesia noted the efforts made by the Secretary-General to submit peacekeeping budgets using the results-based methodology. She emphasized in that connection that, in accordance with paragraph 4 of General Assembly resolution 57/290 B, the specific characteristics and mandates of each peacekeeping mission must be fully taken into account. As her delegation had said in the informal consultations, indicator of achievement 1.3.3 given in document A/59/290 was not in accordance with the mandate of the Mission. Her delegation had joined the consensus on the draft resolution on the understanding that the indicator of achievement in question would be reworded as indicated by the Controller.

18. **Mr. Begg** (New Zealand), supported by **Mr. Dutton** (Australia), said that his country was strongly convinced that human rights violations and serious crimes which had been perpetrated in East Timor in 1999 should not remain unpunished and that the perpetrators should be brought to justice. In its resolution 1543 (2004), the Security Council had reaffirmed the need to fight against impunity and the importance for the international community to lend its support in that regard and emphasized that the Serious Crime Unit should complete its investigations by November 2004. In order for the Serious Crime Unit to complete its work, it was essential that decisions should be taken concerning all unexecuted arrest warrants. New Zealand considered that the indicators of achievement given in document A/59/290 fell within the mandate of the Serious Crime Unit and that they were appropriate criteria for evaluation of the achievements of the Mission. The New Zealand delegation took it that the document symbol appearing in footnote 3 to the final preambular paragraph of draft resolution A/C.5/59/L.8 (A/C.5/59/SR.13) was a reference to the summary record of the current meeting and it therefore expected its views to be reflected in the record.

19. *Draft resolution A/C.5/59/L.8 was adopted without a vote.*

20. **Mr. Guterres** (Timor-Leste) conveyed his sincere gratitude to the Member States saying that the Timorese Government was determined to collaborate with Indonesia, a neighbouring and friendly country, and with the Secretary-General of the United Nations with a view to finding a solution to the pending problems in a manner acceptable to Timor-Leste, to Indonesia and to the international community. He added that, despite the progress made, much remained to be done in Timor-Leste which would continue to need the support of the international community after the departure of the Mission of Support in May 2005, in particular in the areas of justice and the police, and in the financial sector.

21. **The Chairman** said that the Committee has concluded the present stage of its consideration of agenda item 129.

Agenda item 123: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*)

Draft decision A.C.5/59/L.9

22. **Mr. Halbwachs** (Controller) said that the five budget proposals that the Committee had just considered had not been foreseen and had had to be prepared following the decisions taken by the Security Council in 2004. Those budgets would give rise to the preparation of reports to be submitted to the resumed session of the Committee in May 2005 when it would examine the budget proposals for peacekeeping operations for the period 2005/06. The Secretariat would not be able to begin preparation of budget proposals for the five operations for 2005/06 until the General Assembly had completed consideration of their budgets during the current session. The Secretariat was currently preparing budget proposals for all the peacekeeping operations for the period 2005/06, as well as the budget performance reports for the period 2003/04, some 45 reports in all. The workload was already unmanageable and, while the Secretariat would do its best to grant the request of the General Assembly, it was unsure whether it could produce the report requested in the draft decision in time for the resumed session in May 2005.

23. **Mr. Begg** (Netherlands), speaking on behalf of the European Union, the candidate countries (Bulgaria, Croatia, Romania and Turkey), the stabilization and association process countries (Albania, Bosnia and Herzegovina, Serbia and Montenegro and the former Yugoslav Republic of Macedonia), Iceland and Norway (members of the European Free Trade Association) and the members of the European Economic Area, supported by **Ms. Attwooll** (United States of America) and **Ms. Ferguson** (Canada), said that, by approving the budgets before it, the Committee had given the Secretariat and each peacekeeping operation the financial and human resources and the flexibility it needed to carry out its mandate fully and efficiently. He trusted that the Secretary-General, when filling the posts approved, would bear in mind the observations and recommendations of the Advisory Committee and the views of the Member States.

24. The European Union placed great confidence in the Advisory Committee and would continue to use the latter's comments and recommendations in its discussions and decisions on the budgets for peacekeeping operations. It therefore expected that the utmost budgetary rigour would be applied to the use of the $9.3 million allocated to MINUSTAH for remediation of the effects of hurricane Jeanne and that a detailed account of the disbursement of those funds would be given in the next budget performance report for the Mission.

25. The European Union had already expressed concern at the way in which the "template" had been implemented in the most recently established peacekeeping operations. While, in principle, it supported such a template, it fully agreed with the statements of the African Group and the comments of the Advisory Committee that the template must be applied in a very flexible manner. The use of the template must not lead to lax budgeting procedures or to arbitrary inflation in the grading of posts, and the Secretary-General must be able to justify fully all positions, especially those at senior levels, within each operation. In that context, the coordination of their activities with those of other United Nations humanitarian actors in the field was essential to the efficient and cost-effective discharge of the operations' mandates. The European Union would closely pursue the matter at the resumed session in May 2005 when the budgets for all peacekeeping operations and the cross-cutting resolution would be discussed.

26. The European Union looked forward to the outcome of the reviews of the staffing and structure of new missions and the management structures of existing missions. While it understood the additional burden of work that could mean for the Secretariat, it did not consider the timing to be too onerous. The Secretariat should be able to review and justify the resource requirements of all peacekeeping operations throughout the budgeting process, and the General Assembly's request should simply be an extrapolation of that ongoing review process.

27. **Mr. Kozaki** (Japan), supporting the statement made by the representative of the Netherlands on behalf of the European Union, said that his delegation would continue to follow closely the budget performance reports and future budget proposals for peacekeeping operations.

28. *Decision A/C.5/59/L.9 was adopted without a vote.*

29. **Ms. Lock** (South Africa), speaking on behalf of the African Group, in explanation of the Group's position after the adoption of draft resolutions A/C.5/59/L.5, L.6 and L.7, supported by **Mr. Renault** (Brazil), speaking on behalf of the Latin American troop-contributing countries (Argentina, Brazil, Chile, Paraguay and Peru), said that the African Group had joined the consensus on the understanding that the Committee's decisions would provide for the necessary needs of those peacekeeping operations.

30. The African Group, however, wished to reaffirm the principle that each peacekeeping budget submission should be considered on the basis of the financial justifications contained therein and of the complexities, mandates and specificities of each operation and the environment in which it functioned. It was on that basis that the Group had agreed to the review called for in the draft decision contained in document A/C.5/59/L.9.

31. Concerning the broad model applied by the Secretariat to determine the type of structure required by the multidimensional nature of the peacekeeping operations, the Group considered it imperative that the Secretariat should apply the model in a flexible manner that reflected the complexities and mandates of each mission.

32. Furthermore, in order to facilitate the decision-making process and clarify the Advisory Committee's recommendations on each operation, the Group expected the Advisory Committee to consider the budget estimates and staffing structure on a case-by-case basis and provide the Committee with a detailed explanation of its advice and avoid cross-cutting to the extent possible. Member States must receive assurances that reductions were proposed after careful consideration of the needs specific to each operation.

33. The African Group was confident that the Committee would be able to reach an early resolution of those matters during its resumed session in May 2005 if the Secretariat and the Advisory Committee paid heed to its observations.

34. **The Chairman** announced that the Committee had concluded the present stage of its consideration of agenda item 129.

Organization of work

35. **The Chairman** informed the Committee that he had received a request from Ms. Waters, President of the United Nations Staff Union, to address the Committee on agenda items 114 and 116, entitled respectively "Human resources management", and "The United Nations common system", in accordance with General Assembly resolution 35/213. He had also received a request from Mr. Weissel, President of the Federation of International Civil Servants' Associations (FICSA), to address the Committee on agenda item 116. If he heard no objection, he would take it that the Committee agreed to hear the President of the Staff Union and the President of FICSA.

36. *It was so decided.*

The meeting rose at 11 a.m.

United Nations A/C.5/59/SR.14

General Assembly
Fifty-ninth session

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Fifth Committee

Summary record of the 14th meeting
Held at Headquarters, New York, on Wednesday, 27 October 2004, at 10 a.m.

Chairman: Mr. Eljy (Vice-Chairman) ..... (Syrian Arab Republic)
later: Mr. MacKay ..... (New Zealand)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kuznetsov

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Agenda item 114: Human resources management

Agenda item 116: United Nations common system

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04-57464 (E)

In the absence of the Chairman, Mr. Eljy (Syrian Arab Republic), Vice-Chairman, took the Chair.

The meeting was called to order at 10.20 a.m.

Agenda item 114: Human resources management (A/59/263 and Add.1, A/59/357, A/59/211, A/59/264, A/59/291, A/59/446, A/59/217, A/59/222, A/58/666, A/59/299, A/C.5/58/L.13, A/58/283, A/59/213 and Add.1, A/C.5/59/4, A/59/388, A/59/253, A/59/152, A/58/704, A/59/65 and Add.1)

1. **Ms. Bertini** (Under-Secretary-General for Management) said that, as evidenced by the priority accorded in his programme for the reform of the Organization and the meetings and retreats organized for departmental heads on that theme, the Secretary-General attached great importance to the management of human resources. At its fifty-eighth session, the General Assembly had requested more than 30 reports on various aspects of human resources management. In the interest of streamlining, the majority of those requests had been addressed as part of the omnibus report of the Secretary-General on human resources management reform (A/59/263) which, to facilitate discussion, had been presented in the same format as previous reports on the issue, indicating the goals, achievements and future activities under each of the 10 building blocks for reform.

2. The major achievements to date included the following: progress with the establishment of a system for human resources planning, a new staff selection system, a policy on organizational mobility, an enhanced performance appraisal system, enhanced staff development and career support programmes, and greater attention to work-life issues.

3. While the time taken for recruitment had decreased from an average of 275 days in 1999 to the current 174 days, that still fell short of the 120-day target set by the General Assembly, which might wish to consider reducing the time for advertising vacancies from the current 60 days to 45 days in order to expedite further the selection and recruitment process.

4. In response to the General Assembly's request in resolution 57/300 for the Secretary-General to consider ways of promoting General Service staff to Professional posts, it was proposed that the percentage of P-2 posts available for successful G-to-P candidates should be raised from 10 to 25 per cent. It was also proposed that a roster should be established of high-scoring but unplaced G-to-P candidates who should be allowed to apply for non-geographical posts for a period not exceeding three years.

5. In resolution 55/258, the General Assembly, having considered an initial report of the Secretary-General, had asked him to submit definitive proposals on new contractual arrangements, clearly spelling out the differences between existing and proposed types of appointments. The first addendum to the omnibus report (A/59/263/Add.1) set out proposals to simplify the existing contractual arrangements through the use of only three types of appointments that would be used for all staff Secretariat-wide — short-term, fixed-term and continuing — in order to make for greater equity and transparency, better servicing of surges in the volume and type of work and seasonal fluctuations, and enhanced staff mobility, which was a key building block of the reform. The addendum also described the transitional measures that would be required, should the proposal be implemented.

6. In the second addendum (A/59/263/Add.2), a number of factors affecting progress towards the goal of 50/50 gender distribution had been identified. The proposals which would contribute to the attainment of the goal included strengthened accountability on the part of programme managers, expanded human resources planning and an expanded pool of qualified women candidates. She hoped that the Fifth Committee would consider that report in the light of the report on the composition of the Secretariat (A/59/299) and the report on the improvement of the status of women in the United Nations system (A/59/357) which had been submitted to the Third Committee. The report also included ideas on ways to improve the representation of women in the Secretariat. Indeed, the goal of gender parity was a long way off since women still accounted for only 37 per cent of staff in the Professional and higher categories.

7. The report of the Secretary-General on measures to prevent discrimination on the basis of nationality, race, gender, religion or language in the United Nations (A/59/211) offered an overview of the progress made and future action in that area. The Secretariat continued to address that issue from several directions including enhanced training for staff and managers, dissemination of better information on discrimination, on monitoring and on accountability mechanisms and

an integrated conflict resolution and complaint system geared towards prevention and early resolution.

8. As indicated in the report of the Secretary-General on the improvement of equitable geographical representation in the Secretariat (A/59/264), the situation had improved with only 10 States underrepresented and 15 unrepresented. Among other measures, the Secretariat was proposing the institution of a "fast track" recruitment procedure for candidates from unrepresented and underrepresented Member States to posts at the P-4 level. It planned to request each permanent mission concerned to identify a focal point with whom the Secretariat would work on various aspects of increasing its country's representation. It had also initiated measures to establish in the Office of Human Resources Management a post of focal point for geographical representation. The reports of the Secretary-General on the use of consultants and individual contractors (A/59/217) and on the employment of retired former staff (A/59/222) offered the statistics and analyses which the General Assembly had requested. Finally, among the amendments to the Staff Rules presented in document A/59/213, the most important, having to do with the Joint Disciplinary Committee, would permit the full implementation of the rules governing the financial responsibility of staff members for financial losses resulting from their gross negligence.

9. *Mr. MacKay (New Zealand), Chairman, took the Chair.*

10. **Ms. Lute** (Assistant Secretary-General for Peacekeeping Operations) introducing the comprehensive report on the staffing of field missions, including the use of 300 and 100 series appointments (A/59/291), said that activities related to peacekeeping had increased considerably. There was, for instance, an increase in simultaneous operations, whether newly emerging (as in Haiti, Burundi and Côte d'Ivoire), relatively new operations (as in Liberia), or expanded operations (as in the Democratic Republic of the Congo), not to mention others that might emerge in the Sudan or Iraq. From the staffing point of view, that represented a major challenge since it involved the planned increase of military and police personnel by one third, while civilian staff strength would have to be doubled.

11. The international environment had completely changed since the beginning of peacekeeping operations in 1948 and since the 1990s, when there had also been a considerable upsurge in peacekeeping activities. Peacekeeping operations had not only increased in number, but were marked by a greater degree of operational complexity and an increased interdependence of factors which, as experience proved, might help national reconstruction in a manner that would ensure lasting peace. It was therefore important for the Organization to take the measure of the skills that realities on the ground required of mission staff in terms of both experience and competence.

12. To attract and retain the best qualified staff, the Organization was competing not only with other United Nations bodies but also with regional and non-governmental organizations, and with private corporations that also operated in conflict and post-conflict situations. The Department of Peacekeeping Operations needed to balance the needs of the Organization with those of missions and staff members in order to be able to propose attractive working conditions.

13. Initially, the 300 series had been designed for the speedy recruitment and deployment of staff needed for operations not exceeding four years (three years renewable for one year). Since then, that type of appointment had become as difficult to manage as the 100 series and had become the main mechanism for the recruitment of field mission staff. In practice, on the expiry of the four-year initial recruitment period, when the mandate of the mission required it and the staff member's performance warranted it, the Organization endeavoured to extend contracts by offering mission staff 100 series appointments. Given the increase in peacekeeping activities and with a view to aligning 300 series appointments and conditions of service with the longer-term needs of the Organization and of each mission, it had been proposed that staff should be offered 100 series appointments from the outset.

14. The reason for that was the fact that nothing justified the creation of a new series or the use of the 200 series, which was more tailored to meet the need for technical skills. The 100 series would be more suitable because it had been designed for long-service contracts, was more attractive to the staff and amenable to the harmonization of working conditions in the missions. In no way did that mean the granting of permanent contracts: the recruitment of mission staff remained limited to the needs of the Organization and

to the terms spelt out in the mandate of each peacekeeping operation. The idea, therefore, was to use fixed-term contracts under the 100 series for non-Headquarters staff performing services for which there was a continuing requirement and to revert to an appropriate use of 300 series appointments for specific functions that were clearly limited in duration, such as electoral assistance activities.

15. **Mr. Kuznetsov** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, having considered some 10 reports of the Secretary-General on human resources management listed in paragraph 1 of its report (A/59/446), the Advisory Committee on Administrative and Budgetary Questions (ACABQ) had repeatedly called for the consolidation of related reports into a single document in order to facilitate the work of the Fifth Committee. As a general comment, he said that the Office of Human Resources Management was instrumental in assisting programme managers to achieve the effective implementation of the mandates entrusted to the Secretariat by the General Assembly and other legislative bodies and that it should therefore work with programme managers and avoid creating impediments to the efficient carrying out of their tasks. It was essential for the officials charged with the development and implementation of personnel policy to seek out and learn more about the practical effect of personnel policies from the actual experience of staff involved in the substantive work.

16. The Advisory Committee found the report of the Secretary-General on human resources management reform (A/59/263) to be rather general and lacking in analysis, particularly with regard to progress achieved in implementation, problems encountered and measures planned to redress them. In that connection, the Advisory Committee referred to the report of the Office of Internal Oversight Services (OIOS) on the impact of the human resources management reform (A/59/253), which had brought out the need for qualitative rather than quantitative analysis. Not enough attention had been given to setting criteria to monitor the quality of decisions made by programme managers rather than mere mechanical adherence to procedures. If irregularities or non-compliance with the requirements of the new system were to be addressed effectively, there must first be recognition by all concerned that those requirements were realistic and would help to enhance the ability of managers and staff to carry out the work of the Organization.

17. With regard to the staff selection process, the Advisory Committee was especially concerned by the problems encountered with the Galaxy system, in particular with the lack of an effective screening mechanism. The considerable volume of responses, which attested to the success of the system, risked making it difficult to sort and consider candidates in a timely manner. The Advisory Committee agreed with the proposal of the Secretary-General that the number of days required for advertising a vacancy should be reduced from 60 to 45, on the understanding that measures would be taken to ensure that all Member States could participate equally in the process and that suitable candidates would be recruited from unrepresented and underrepresented States. In paragraph 58 of his report (A/59/263), the Secretary-General had proposed a number of other ideas for shortening the selection period. The Advisory Committee encouraged those ideas and expected to see the experience of the users of the system — namely, programme managers and applicants — taken into account. The Advisory Committee also pointed to the need to encourage timely succession planning.

18. The Advisory Committee was aware that the G-to-P and the national competitive recruitment examinations brought competing interests into play, but it trusted that ways could be found to balance the concerns of unrepresented and underrepresented Member States with the need to uphold staff morale and afford people with long experience and obvious talent a means to make a greater contribution to the work of the Organization. Regarding contractual arrangements, the Advisory Committee pointed out that, should the General Assembly approve the Secretary-General's proposal, measures should be in place to ensure the application of objective criteria to the conversion of probationary and fixed-term contracts into continuing appointments for eligible staff.

19. In his report on the staffing of field missions, including the use of 300 and 100 series appointments (A/59/291), the Secretary-General had attempted to address a number of the concerns raised by the Advisory Committee, which had recommended that the widespread changes on that matter should be brought to the attention of the General Assembly. The Advisory Committee noted that only existing mechanisms had

been considered. It would have welcomed greater recognition of the fact that the needs of peacekeeping operations were quite different from those of regular budget activities and of most extrabudgetary activities. In the Advisory Committee opinion, a major problem existed with regard to the disparities in the conditions of service of staff in the field and the staff of United Nations bodies, funds and programmes. Those disparities became even more important when one considered that the proposed structure of peacekeeping operations envisaged that the second Deputy Special Representative would normally be the resident representative of the United Nations Development Programme (UNDP). That meant that, in many cases, UNDP staff would be working alongside field staff employed by the Department of Peacekeeping Operations in the mission. The current proposals failed to address such inequities. Another important gap was the insufficient analysis of financial implications, especially as they related to long-term liabilities.

20. In order to help the General Assembly to hold an informed discussion on the matter, the Advisory Committee had suggested two options for possible action. Option 1 envisaged approval of the Secretary-General's proposal, given the fact that many staff members' contracts had already been converted and that a speedy conclusion of that matter would be advantageous, although there would be a need for adjustments and refinements in the future. Should that proposal be accepted, care would have to be taken to convert only the contracts of those staff members whose continued mission service was essential and who had demonstrated the required competence. Since a piecemeal approach was not appropriate for managing significant numbers of staff performing a major activity of the Organization, a second option — option 2 — was suggested that would incorporate some features of the 100 and 300 series systems. Interim measures that would be applied until a new system was developed were referred to in paragraph 52 of the Advisory Committee's report (A/59/446).

21. Although it had consistently supported efforts to promote staff mobility as a means of developing a more flexible and multi-skilled workforce, the Advisory Committee was concerned about Secretariat plans to embark upon a mandatory managed reassignment programme starting in 2007. The General Assembly had already expressed concern on the subject, and the Advisory Committee felt that the programme and its financial implications, in particular, should be clarified. The Secretary-General should address that matter in his next report on human resources management.

22. In its report, the Advisory Committee had also expressed its views on a number of other matters including consultants, the employment of retired former staff, rejuvenation, gender distribution in the Secretariat and geographical representation, which had to be pursued to further decrease the number of unrepresented and underrepresented Member States.

23. In conclusion, he said that, as stated in paragraph 4 of its report, the Advisory Committee believed that the Office of Human Resources Management was a service to support managers in carrying out the substantive work of the Organization and that personnel policy should aim at achieving the highest degree of efficiency, the goal being the placement, based on merit, of qualified personnel where needed as expeditiously as possible and the encouragement of staff and career development.

24. **Mr. Nair** (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services on the availability in local labour markets of the skills for which international recruitment for the General Service category took place (A/59/388), said that the report focused on the Text Processing Section of the Department for General Assembly and Conference Management in New York, which employed the majority of General Service staff granted international status. The estimated cost of the granting of international benefits for staff in the General Service category was $9.25 million per biennium. The Office had found that the current determination regarding the absence of skills in the local labour market at Headquarters was based on insufficient or out-of-date knowledge of the local market. There was enough data to indicate that the skills required to fill posts expected to become vacant in the Arabic, Chinese, French, Russian and Spanish Text Processing Units were likely to be found in the local market. The Office therefore recommended that a variety of proactive recruitment strategies should be pursued in New York, that testing efforts should be redoubled, and that the outcome of the recruitment efforts should be systematically analysed to assess the availability of qualified local candidates, without, however, compromising quality. That would also require the Organization to ensure that

adequate resources for intensifying recruitment and testing activities were available.

25. Furthermore, under the current interpretation of the Staff Rules, international benefits were granted to candidates for positions in the Text Processing Units other than the English Unit even when the lived in, and were recruited from, the local area, unless they were nationals or permanent residents of the country. The Organization should consider granting international status only to staff in the General Service category who were recruited from outside the area of the duty station. International recruitment campaigns should be undertaken only after the lack of resources in the local labour market has been sufficiently demonstrated. If all General Service posts in the New York Text Processing Units vacated by retiring staff members were filled with local candidates, the total savings would amount to approximately $8.1 million over the next 10 years.

26. Turning to the report of the Office of Internal Oversight Services on the impact of the human resources management reform (A/59/253), he said that significant success had been achieved. There was, for example, a greater organizational focus on the promotion of staff mobility and career development. The new, more flexible staff selection system had increased the number and geographical range of candidates. However, neither the quality of candidates nor career prospects for junior staff had improved. The Office of Internal Oversight Services supported giving programme managers, who were accountable for programme delivery, authority for recruitment. The fact that the central review bodies systematically engaged managers in reviewing lists of recommended candidates according to a set of predetermined criteria proved their effectiveness in assertively exercising their function, although their effectiveness was at times diminished by inconsistencies in their mandate.

27. A comprehensive training programme to facilitate mobility had been introduced and reassignment programmes for junior Professional staff had been established. However, the number of staff members applying for a change in duty station had not changed significantly and duty stations with high vacancy rates continued to have difficulty in recruiting. The training curriculum represented progress towards meeting development needs, fulfilling career aspirations, building functional competencies and developing a culture of continuous learning, all of which were especially critical given the importance of mobility in the Organization. It seemed, however, that the staff had only a vague knowledge and understanding of the new mobility policy. More systematic application of results-based methods for assessing needs would ensure that training supported organizational advancement. It was a source of concern that, despite a budget increase, the demand for training and career development support continued to exceed the resources available to the Organization.

28. In order for human resources management reform to achieve its key objectives, there must be a cultural change. Staff and managers were not yet fully committed to the nature, scope and purpose of reform, and the Office of Human Resources Management should immediately address that problem. It would be more constructive if those involved — departments, staff and managers — saw the reform as a means of meeting the operational needs of the Organization and the professional aspirations of the staff, rather than as simply compliance with new directives. The Organization should also monitor progress towards desired outcomes through the use of strategic plans with indicators and timelines. The report contained more than 40 specific recommendations concerning staff selection, central review bodies, mobility, performance management, career development, training and human resources planning. Action had already been taken on some of them, such as the proposed reduction in the time for advertising vacancies from 60 days to 45 days, a mobility awareness campaign, and the development of the concept of targeted recruitment pools.

29. Turning to the report of the Office of Internal Oversight Services on the follow-up audit of the policies and procedures of the Department of Peacekeeping Operations for recruiting international civilian staff for field missions (A/59/152), he said that, since the monitoring of the recruitment by the Office for Human Resources Management, the Department of Peacekeeping Operations of field personnel had been weak, it had not been possible to identify actions that were inconsistent with the Organization's human resources policies. The monitoring of the recruitment authority delegated to the Department of Peacekeeping Operations must therefore be strengthened. Although the Department had begun implementing a global staffing strategy for field missions, considerable work needed to be done in human resources planning, streamlining the

recruitment process, screening applications for inclusion in the roster and delegating authority to field missions. The staff resources of the Department's Personnel Management and Support Service had increased significantly, from 71 posts in June 2000 to 115 in January 2002. That increase had been justified by the need to develop the capacity to implement the recommendations of the Panel on United Nations Peace Operations. The Department should formulate a realistic timetable for completing the tasks assigned to the Personnel Management and Support Service and hold its managers accountable for their completion. The efficiency gains resulting from the use of new information technology systems and the delegation of recruitment authority to the field should lead to appropriate resizing of the Service's staffing levels. The Office of Human Resources Management and the Department of Peacekeeping Operations had agreed to implement the eight recommendations made by OIOS in its audit report.

30. **Mr. Gurita** (Chairman of the Joint Inspection Unit), introducing the report of the Joint Inspection Unit on the management review of the Office of the United Nations High Commissioner for Human Rights (A/59/65) said that the review had taken into account the numerous previous audits, oversight reviews and evaluation studies relating to the Office of the High Commissioner, in particular the management review undertaken by the Office of Internal Oversight Services in 2002 (A/57/488), but had focused on recruitment policies and the composition of the staff of the Office, as requested by the Commission on Human Rights. After analysing the issue of the geographical distribution of the staff, going back 10 years, and establishing the region of origin of staff members, listed by region according to the five groups of Member States established by the General Assembly, the Joint Inspection Unit had concluded that the unbalanced geographical distribution of staff was an endemic problem. That conclusion should, however, be qualified by comparison with the wider context of the Secretariat in general, given that the Office of the High Commissioner was a part of the latter. The Joint Inspection Unit also drew attention to General Assembly resolution 57/305, in which the General Assembly reiterated its request to the Secretary-General to further increase his efforts to improve the composition of the Secretariat by ensuring a wide and equitable geographical distribution of staff in all departments. He noted the comments of the Secretary-General (A/59/65/Add.1) on the report of the Joint Inspection Unit, which indicated that the Office of the High Commissioner, for the most part, welcomed the Unit's recommendations. Recalling that the Commission on Human Rights had requested the Joint Inspection Unit to assist it in monitoring the implementation of its resolution 2004/73 and to submit to it at its sixty-third session a follow-up review of the implementation of the decisions regarding the management, programmes and administration of the Office of the United Nations High Commissioner for Human Rights, containing any concrete proposals for corrective action, if required, he said that the Office of the High Commissioner and the Joint Inspection Unit had appointed a coordinator responsible for monitoring the implementation of the Commission's recommendations.

31. **Mr. Ndiaye** (Director of the New York Office of the Office of the United Nations High Commissioner for Human Rights), introducing the comments of the Secretary-General on the recommendations of the Joint Inspection Unit, contained in the report of the Joint Inspection Unit on the management review of the Office of the United Nations High Commissioner for Human Rights (A/59/65/Add.1), said that the Office of the High Commissioner had already implemented most of the recommendations made at the time of other assessments and endorsed a number of the Joint Inspection Unit recommendations. The latter dealt with subjects such as the improvement of the geographical composition of the staff, the grading of the posts of the chiefs of branch, the mandate of the Advisory Panel on Personnel Issues, and the alignment of recruitment and contractual policies with those of the Secretariat. The Office of the High Commissioner was in the process of reviewing the proposals of the Office of Internal Oversight Services and the Joint Inspection Unit in the context of the proposed programme budget for the biennium 2005-2006 with a view to avoiding duplication and improving its own effectiveness and management procedures. It had begun to implement the recommendation concerning alignment of contracts and was endeavouring to recruit staff at the P-3 level and above through recourse to Galaxy and the central oversight bodies, regardless of the funding mechanism for the posts in question. Posts at the P-2 level, funded from the regular budget or through extrabudgetary funds, were instead still being filled by way of national competitions. Whereas in 2001, 38 underrepresented or unrepresented countries had been invited to participate

in national competitions and nationals of only 17 countries had actually participated, the situation had shown a marked improvement in 2004, when the figures had risen to 60 and 57 respectively. The Office of the High Commissioner was, furthermore, working with the Office of Human Resources Management to devise an action plan enabling it to ensure greater geographical balance, and it intended to cooperate closely with the Joint Inspection Unit to implement the recommendations set out in its report and also those of the Commission on Human Rights.

32. **Mr. Elkhuizen** (Netherlands), speaking on behalf of the European Union, the candidate countries Bulgaria, Croatia, Romania and Turkey, the stabilization and association process countries Albania, Bosnia and Herzegovina, Serbia and Montenegro, the former Yugoslav Republic of Macedonia and, in addition, Iceland and Liechtenstein, said that they agreed with the Secretary-General that the human resources function should be used as a tool to drive change and to create the organizational culture envisaged. Many positive decisions had already been adopted, and they must now be consolidated and fully implemented, following the principles of accountability, transparency, fairness and effectiveness.

33. The European Union supported entirely the comments of the Office of Internal Oversight Services and the Advisory Committee in favour of mobility, which would lead to a more flexible and multi-skilled workforce. The recruitment process, as the Secretary-General had indicated in his report (A/59/263), should have that same aim and should guarantee that staff were selected on the basis of merit, competencies and performance. The Secretariat must also be rejuvenated, in a proactive manner.

34. The European Union welcomed the fact that the Secretary-General had presented a number of reports under the agenda item, with the recommendation that the General Assembly should take note of them. The European Union stood ready to participate in the negotiations, focusing on those issues that required intergovernmental decisions and avoiding micro-management.

35. It noted that the Secretary-General had presented a detailed proposal for expanding the career opportunities for General Service staff by finding ways to promote them to Professional posts. In principle, it also welcomed the proposal to reduce the recruitment period by reducing the deadlines for responding to vacancy announcements from 60 to 45 days, and it was ready to discuss in further detail the proposals regarding 100 series rather than 300 series appointments for field mission staff.

36. On the question of contractual arrangements, the introduction of three types of contracts — fixed-term, short-term and continuing — would seem to be a good tool for advancing the reform and streamlining administrative procedures. Any system the General Assembly might put in place for the United Nations could serve as a blueprint for the model that the International Civil Service Commission had undertaken to develop for the participating organizations of the common system.

37. The European Union had taken note of the proposals to promote recruitment from unrepresented and underrepresented countries, especially the proposed "fast-track" procedure and the establishment of focal points to coordinate such questions. Lastly, it encouraged further effort to achieve gender balance within the Secretariat.

38. **Mr. Hønningstad** (Norway) said that a solid foundation had been laid for the Organization to attract and retain competent staff, but to do so it must develop a flexible, up-to-date human resources management system and well-defined indicators and time-limits for the achievement of new goals. With reference to the reports of the Secretary-General (A/59/263 and Add.1-2), the conditions of service for United Nations personnel had to be at least on a par with those of other up-to-date international organizations, which meant that their quality of life was of the utmost importance. A family policy likely to attract and retain staff and foster gender equality must be one of the components of human resources management.

39. Despite the advances in gender mainstreaming indicated by the Secretary-General in his report (A/59/263/Add.2), women were underrepresented in the Secretariat, especially in management posts. Norway welcomed the action taken to improve that situation, which would have to be monitored very closely in view of the anticipated retirements in the next few years.

40. His delegation supported the proposal to shorten the vacancy announcement period from 60 to 45 days, especially since that should not reduce the number of qualified candidates. It also agreed that qualified

General Service staff should be given better opportunities for promotion to posts at the P-2 level; and it favoured the plan to introduce three types of contracts applicable to all Secretariat functions and duty stations, while cautioning that proper transitional measures must be instituted to accompany such change.

41. As an underrepresented country, Norway would welcome the appointment of a new focal point at the P-5 level and the introduction of a fast-track recruitment procedure as a way of improving the geographical distribution of United Nations staff.

42. **Mr. Park** Yoon-june (Republic of Korea) said that his delegation welcomed the advances the United Nations had made in human resources management over the past six years, especially in the areas of planning, mobility, staff selection and development of managerial competencies, and that it hoped to see more progress, particularly in the latter two areas.

43. There were still countries that were unrepresented or underrepresented in the Secretariat. Concurring with the Advisory Committee, his delegation endorsed the measures proposed — the establishment of a focal point at the P-5 level and the institution of fast-track recruitment — to improve geographical representation and hoped that they would be put into effect quickly. On the other hand, it had serious concerns about the proposed increase in the percentage of Professional posts reserved for qualified General Service staff, and believed, as did the Advisory Committee, that those who had passed the examinations for promotion from the General Service to Professional posts could be offered posts at duty stations with high vacancy rates. His delegation wondered, furthermore, about the financial implications of the new contractual arrangements proposed by the Secretary-General and their long-term effect on human resources management, and would appreciate further information on those two points.

44. With regard to peacekeeping operations, his delegation did not think that the Secretary-General had calculated all the financial implications, especially the long-term implications, of the conversion of 300 series staff to 100 series staff, or the full impact that would have on human resources management planning, geographical distribution and fairness to existing nationally recruited staff.

45. Also, his delegation regretted that there were no concrete guidelines for the recruitment of experienced staff from previous missions, and suggested that consideration should be given to making more efficient use of the Galaxy system and delegating more recruitment authority to field missions. Even though the geographical distribution requirement did not apply to peacekeeping operations, they should nevertheless give due consideration to the principle. He would also like to know if the principle was being applied in the conversion of 300 series peacekeeping staff to the 100 series.

Agenda item 117: United Nations common system
(A/59/30 (vols. I and II), A/59/153, 399, 429 and 522)

46. **Mr. Wyzner** (Vice-Chairman of the International Civil Service Commission) introduced the thirtieth annual report of the International Civil Service Commission (ICSC) (A/59/30, vol. I and II) on behalf of the Chairman of the Commission. The report covered a broad range of complex subjects. First, it stated the results of the fundamental review of the pay and benefits system. The new approaches being considered, particularly the adoption of a pay-for-performance system and broadbanding would be the most significant change to the system since the establishment of the United Nations. The Commission had therefore decided first to test the new approaches through a three-year study launched on 1 July 2004 in four volunteer organizations — the International Fund for Agricultural Development (IFAD), the Joint United Nations Programme on HIV/AIDS (UNAIDS), the United Nations Development Programme (UNDP), and the World Food Programme (WFP). The Commission and its secretariat would help those organizations to conduct the pilot study and would monitor it closely. The framework for the pilot study was presented in annex II to volume I of the report of the Commission, which summarized all the decisions that it had taken on the study.

47. The Commission had embarked on both modernizing and simplifying the pay and benefits system, beginning with the methodology for determining the level of the education grant and the mobility and hardship allowance. While much work had been done on the education grant, the Commission had felt that more work was needed before any changes to the existing methods could be proposed to the General Assembly. The Commission would continue

its consideration of the issue in the spring of 2005 and planned to present its final recommendations to the Assembly in its next report.

48. As the General Assembly had requested in resolution 55/223, the Commission had reviewed the linkage between the base/floor salary scale and the mobility and hardship allowance in the context of the review of the pay and benefits system. One of the major objectives of the allowance was to enable organizations to get the right person in the right place at the right time. The Commission had reiterated that it was not its intention to reduce benefits, but rather to find the best way to help organizations to carry out their mandates through appropriate application of the scheme. After extensive debate and taking all the viewpoints expressed into consideration, the Commission had decided to separate the mobility element from the hardship element and to delink both the mobility allowance and the hardship allowance from the base/floor salary scale. However, to address the concerns of the organizations and the staff, it had agreed to establish a working group comprised of Commission members and representatives of its secretariat and of the organizations and the staff to develop various options to compensate staff for service at hardship duty stations and encourage mobility, to estimate the cost of those options and to submit its recommendations to the Commission in the spring of 2005. The working group would start work in December. In the meantime, the Commission had decided to defer the implementation of the decisions to dissociate the two elements of the allowance and delink the allowance from the salary scale until a new system had been put in place.

49. The development of a Senior Management Service was a topic that affected the review of the pay and benefits system. The Commission had reported in 2003 that it had been addressing the issue and would continue to monitor the work of the United Nations System Chief Executives Board for Coordination and that a progress report from the Board had been expected in 2004. The Commission had indeed received the requested report in which the Board had informed it that a set of core competencies had been established for the Service, that agreed common criteria had been established for the use of executive heads in determining the positions to be included in the Service, and that the Board had approved the establishment of the Service in April 2004, a decision that had surprised the Commission. While the Board could take measures to enhance the managerial capacity of senior staff, the Commission alone was authorized to recommend to the General Assembly the establishment of a separate category of staff or of an entity such as the Senior Management Service within the common system.

50. In addition to the review of the pay and benefits system, the Commission had carried out several other activities. In particular, it had reviewed the levels of the education grant and of the dependency allowances for staff in the Professional and higher categories on the basis of established methodologies. Only the review of the education grant had resulted in increases.

51. After a comprehensive review, the Commission had reaffirmed the applicability of the Noblemaire principle, by which the compensation of the United Nations staff in the Professional and higher categories must be competitive enough to attract candidates from all countries. The Commission had also concluded that, in applying the Noblemaire principle, its current practice of using the highest-paid national civil service, combined with a reference check with international organizations, was sound. The Commission had on its work programme for 2005-2006 a study to determine the highest-paid civil service, including a total comparison between the United Nations and the United States federal civil service, which was the current comparator.

52. Contractual arrangements were at the heart of any compensation system and were vital to the efforts of organizations to recruit and retain staff. Several years of work had resulted in a draft model for three contractual categories that could be applied across organizations. After further consultations with the organizations to take into account their diverse activities and changing financial realities, the Commission would provide a final report on the issue in 2005.

53. The Commission had also continued its work to support a balance between family life and work responsibilities and to encourage the establishment of family-friendly policies. It supported the granting of a reasonable period of paternity leave to biological fathers upon the birth of a child. Depending on the purpose of the leave, and given the maternity leave that was granted and the role of the father in the family structure, the Committee considered that four weeks

would be a reasonable period for staff at headquarters duty stations, but it could go up to eight weeks for non-family duty stations or in exceptional cases, including death of the mother, inadequate medical facilities or complications encountered during pregnancy.

54. In spring 2004, the Commission had reviewed a comprehensive report on gender balance in the common system, which had shown that the progress made had been limited and had slowed. The Commission had requested its secretariat to provide a report on the situation in 2006, including information on the representation of women by region as well as on the development, implementation and effectiveness of the organizations' gender plans.

55. In 2003, the Commission had reviewed the methodologies for surveys of best conditions of employment at headquarters and non-headquarters duty stations. In April 2004, a survey of best prevailing conditions on employment in Madrid had been conducted for the first time to determine the salary scale for the General Service category and other categories of locally recruited staff. It had also been the first time that the Commission had applied the revised survey methodology. As a result of the survey, it had recommended a new salary scale to the Secretary General of the World Tourism Organization, the latest specialized agency to enter the United Nations system.

56. At the request of the General Assembly the Commission had again reviewed the issue of the level of hazard pay granted to locally recruited staff. In 2002, the Commission had informed the General Assembly of its decision to increase the level to 30 per cent of the midpoint of the local salary scale. The General Assembly had, both in 2002 and 2003, requested the Commission to consider a smaller increase in the level, taking into account the views expressed by Member States. After re-examining the issue, the Commission had decided to set the level of hazard pay at 25 per cent of the midpoint of the scale, effective 1 June 2004.

57. The Commission's comments on the report of the Panel on the Strengthening of the International Civil Service were contained in volume II of its annual report. The Commission had noted the report of the Panel with interest and had noted with satisfaction that many of the Panel's recommendations were in line with the decisions adopted by the Commission at its most recent sessions. However, the Commission was concerned about some of the Panel's other recommendations, because they would serve to weaken the Commission and ultimately the international civil service. With respect to the terms of reference of the Panel, the Secretary-General had recommended that the review should be a focused process firmly set in the context of the Commission's Statute and clearly aimed at further strengthening the Commission and maximizing its ability to support the General Assembly in guiding the common system. By its resolution 57/285, the General Assembly had endorsed those terms of reference.

58. A few of the Panel's recommendations had a direct impact on the statute of the Commission, which had been established by the General Assembly as an independent expert body to provide it with impartial technical advice. The mandate of the Panel did not include reviewing the statute of the Commission. Under the statute, it was the prerogative of the Member States to select the best candidates for appointment to the Commission. The Commission's independence was crucial for the achievement of the objectives for which it had been established. As a subsidiary organ of the General Assembly, its role was to advise the Assembly objectively on the regulation and coordination of the conditions of service of the staff of the United Nations common system. The report of the Panel should therefore have specifically addressed the ways in which the Commission should be strengthened to help it to play that unique role.

59. The Commission, which had covered a number of other issues in its report, looked forward to hearing the comments of delegations on the work that had been done and receiving guidance on its programme of work for the years to come.

60. **Ms. Bertini** (Under-Secretary-General for Management) introduced the report of the Panel on the Strengthening of the International Civil Service (A/59/153), which had been submitted to the General Assembly pursuant to section IV of General Assembly resolution 57/285, in which the Assembly had endorsed the terms of reference of the Panel as proposed by the Secretary-General in document A/57/612. In accordance with those terms of reference, the Panel had examined the role and the functioning of the International Civil Service Commission (ICSC). It strongly believed that the Commission should not only command universal confidence in the regulation of remuneration and other conditions of service, but

should also provide leadership in the area of staff management.

61. The Panel had made a number of specific suggestions as to how to strengthen the Commission and had stressed that the quality of its members and the range of their expertise were a key element. Far from calling into question the Commission's statute, the Panel had concluded that the provisions of articles 3 and 4 of the statute relating to the selection of members, a responsibility shared by Member States and by the Secretary-General in his capacity as Chairman of the United Nations System Chief Executives Board for Coordination (CEB), should be applied more rigourously. The Fifth Committee was invited to consider the unanimous conclusions and recommendations of the Panel, as well as the related comments of ICSC.

62. In document A/59/399, the Secretary-General fully supported the Panel's recommendations and urged Member States to adopt them. The Secretary-General placed particular emphasis on recommendations 1 to 8, which she read out, in whole or in part, in order to underline their validity. With regard to the process for selecting members, and referring to her previous experience with the World Food Programme, she stressed the need to take account of the candidates' qualifications. As far as limiting the number of terms to two (recommendation 6) was concerned, she took the view that it was an excellent way of revitalizing the competencies of an organ while ensuring a degree of continuity.

63. The members of CEB had welcomed the Panel's approach and its conclusions and recommendations. Their comments were contained in the note by the Secretary-General (A/59/399). Faced with increasingly complex challenges, United Nations entities required efficient and capable staff. To fulfil its role in that regard, the General Assembly, more than ever before, required a strong ICSC that commanded confidence and was conscious of its leadership responsibilities in change management.

64. The members of CEB commended to the General Assembly the Panel's recommendations concerning the role of ICSC and the international civil service in changing times, the working methods of the Commission, the criteria and process for the selection of its members, the frequency and length of its sessions and measures to enhance the Commission's capacity to strengthen the international civil service. They also welcomed the recommendations relating to the adoption of approaches to human resources management that were supportive of the system's efforts to enhance the efficiency and competitiveness of the international civil service.

65. The members of CEB had noted with satisfaction that those recommendations had the full support of all the members of the Panel, including the Chairman of ICSC, whose experience and knowledge of the functioning of the Commission had been extremely helpful. The CEB High-Level Committee on Management had examined the Panel's report in early October. It had been informed of the comments of ICSC, which had deeply disappointed all the organizations by casting doubt on the Commission's willingness to undertake reform at a time when the whole system, including the General Assembly, was engaged in a significant renewal effort. The response of ICSC suggested that any reform would not come from within. All the organizations in the system hoped that the General Assembly would see in the Panel's recommendations a way of enhancing the capacity and effectiveness of the system. A positive response to the key recommendations from the General Assembly would contribute significantly to the unity and strength of the common system.

66. **Mr. Belov** (Office of Programme Planning, Budget and Accounts) introduced the Secretary-General's statement on the administrative and financial implications of the decisions and recommendations contained in the report of the International Civil Service Commission (A/59/429), according to which there would be additional requirements of approximately $2.3 million. That amount would be taken into consideration in the first performance report for the current biennium.

67. **Mr. Dutton** (Australia), speaking also on behalf of Canada and New Zealand, welcomed the progress that had been made on the pilot study on broadbanding and pay-for-performance and urged all agencies to move ahead in that regard. He hoped that the International Civil Service Commission (ICSC) would issue some recommendations based on the study as soon as practicable.

68. The Commission's decision to review all grants and allowances with a view to modernizing and simplifying them was welcome, because the system

had become excessively complicated and expensive to administer. Information would be appreciated on the way in which the Commission intended, within the three-year schedule it had set itself, to adapt allowances as part of an integrated approach to pay and benefits. With regard to the education grant, it was unclear whether the Commission had looked into the financing of post-secondary education; that was a generous benefit and he wondered whether it existed elsewhere. It was advisable to delink the hardship and mobility allowances from the base/floor salary scale; when the Commission considered other options, it would no doubt assess the practices of analogous civil services and place a premium on clarity and administrative efficiency.

69. The delegations for which he spoke appreciated the Commission's approach to the review of the application of the Noblemaire principle, but saw no need to broaden the scope of comparison to the private sector. They would, however, have liked to know more about the method which would be employed to draw comparisons with other international organizations. More evidence should be supplied in support of the frequent assertion that the remuneration of the officials of organizations applying the common system was becoming less and less competitive and, to that end, he urged the Commission and participating organizations to collaborate more closely, perhaps on the basis of the kind of data mentioned in paragraphs 265 and 266 of the Commission's report. The three delegations fully supported the development of a Senior Management Service and agreed that the question of whether it constituted a special category of staff should be referred to the Commission; at present it did not.

70. The Panel on the Strengthening of the International Civil Service had rightly observed that ICSC had a leading role to play in the field of reform and modernization. The Panel's recommendations were useful, especially those regarding the need for the strict application of the Commission's statute when Commission members were selected. It would be wise to give careful consideration to the Panel's suggestions regarding the qualifications required and to adopt the idea of setting term limits. A set of rules which had over time become difficult to handle and understand should, generally speaking, be simplified and made more transparent so as to enable ICSC to function more effectively.

71. **Mr. Elkhuizen** (Netherlands), speaking on behalf of the European Union, the candidate countries Bulgaria, Croatia, Romania and Turkey, the countries of the stabilization and association process and potential candidates Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia and Serbia and Montenegro, as well as Iceland, Liechtenstein and Norway, stated that the European Union was committed to ensuring that United Nations staff, who often had to work in dangerous circumstances, received fair remuneration.

72. The European Union hoped that Member States would be kept regularly informed of progress with regard to the pilot study on broadbanding and pay-for-performance throughout the three-year period of that important project. While there was some difference of opinion about the nature and timing of the Commission's proposals concerning the streamlining of contractual arrangements, the Commission and the Human Resources Network agreed on the principle of the framework. The European Union therefore hoped that all the participating partners would find common ground. It took note of the Commission's proposals which would have financial implications (hazard pay, the education grant, adjustments to the base/floor salary and the survey of the best prevailing conditions of employment in Madrid).

73. The European Union welcomed the establishment of a Senior Management Service, a critical component of the reform, but understood that it did not constitute a new category of staff with new conditions of service. The European Union would, however, like the matter to be clarified. Lastly, it endorsed many of the recommendations of the Panel on the Strengthening of the International Civil Service.

74. **Mr. Elji** (Syrian Arab Republic) said that the system being tried out in the pilot study seemed to have caused numerous problems in the national civil services where it had been adopted and had apparently met with little success in the private sector. The study had been carried out on a very limited scale in just four organizations and it was hard to see, on that basis, how the system could be applied to all organizations. Furthermore, its impact on the Pension Fund should be borne in mind.

75. The staff's views on the contractual arrangements should be taken into consideration. It was important to pay attention to the comment of the Federation of

International Civil Servants' Associations (FICSA), in paragraph 39 of the ICSC report, about the legal implications of the pilot study. His delegation was in favour of maintaining permanent contracts, which offered security of employment, led to higher staff productivity and guaranteed the independence of the international civil service. Several decisions of the United Nations Administrative Tribunal supported that view and it was to be noted that that type of contract had been retained in many national civil services, sometimes alongside indefinite contracts.

76. It was to be hoped that the new provisions concerning the mobility and hardship allowance and hazard pay would be debated by the General Assembly before they were applied. It was a matter of concern that the staff of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) received no hazard pay, despite their very difficult working conditions and his delegation wished to know why the principle of equality was not respected in the Occupied Palestinian Territory.

77. His delegation agreed with ICSC that the report of the Panel on the Strengthening of the International Civil Service offered few new insights. The Panel had overstepped its mandate by tackling questions of substance which were a matter for the Commission. Its role should be confined to thinking about means.

78. **Mr. Jonah** (Sierra Leone) said he regretted that the Fifth Committee was not devoting more time to the consideration of human resources management. Like the representative of Nigeria, he would like to hear the opinion of the staff representatives.

The meeting rose at 12.55 p.m.